



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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June 3, 2004

IN REPLY PLEASE

REFER TO FILE: PD-5

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**BUS PASS SUBSIDY PROGRAM WITH THE
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
PROPOSITION A LOCAL RETURN TRANSIT PROGRAM
ALL SUPERVISORIAL DISTRICTS
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the continuation of the subject program to provide subsidized monthly bus fares for eligible County of Los Angeles unincorporated area residents as part of the County's Proposition A Local Return Transit Program for Fiscal Year 2004-05 at an estimated cost of \$588,000.
2. Approve the expansion of the subject program in the First, Second, Fourth, and Fifth Supervisorial Districts to include the addition of the EZ Pass and the General Public Monthly Pass to provide subsidized monthly bus fares for eligible County of Los Angeles unincorporated area residents for Fiscal Year 2004-05 at an estimated cost increase of \$1,203,000.
3. Approve a request by the Los Angeles County Metropolitan Transportation Authority for a waiver under Section 2.203.020.C.1 of the County's requirements under the Contractor Employee Jury Service Ordinance for the Bus Pass Subsidy Program due to special circumstances relating to the Los Angeles County Metropolitan Transportation Authority's collective bargaining agreements.

In consideration for receiving this waiver, the Los Angeles County Metropolitan Transportation Authority agrees to consider the issue during the next bargaining cycle.

4. Authorize the Director of Public Works, or his designee, to negotiate and sign the Sixth Amendment to Agreement No. 71877 with the Los Angeles County Metropolitan Transportation Authority to continue and expand this program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since 1985, your Board has approved agreements with the Los Angeles County Metropolitan Transportation Authority (MTA), or its predecessor agencies, providing for them to sell monthly bus passes at a reduced rate to eligible senior citizens, persons with disabilities, and students residing in the unincorporated areas of the County. This action will provide for the continuation of the subsidized MTA monthly bus passes for Fiscal Year (FY) 2004-05.

This program has annually provided approximately 50,000 subsidized passes to eligible unincorporated County residents. The program encourages the use of public transit and provides eligible residents financial assistance toward meeting their transit needs. By continuing the program in FY 2004-05, these transit needs will continue to be met.

The MTA began its EZ Pass Program in 2002 which covers other municipal operators in addition to MTA. The sales include Seniors/Disabled EZ Pass and the General Public EZ Pass. The expansion of the Bus Pass Subsidy Program will permit MTA to sell the EZ Pass and the General Monthly Pass at a reduced rate to eligible senior citizens, persons with disabilities, and residents in the unincorporated areas of the County. The expansion of the subsidy program to General Monthly and EZ Passes will only affect Supervisorial Districts 1, 2, 4, and 5.

The Bus Pass Subsidy Program is dependent on the MTA's personnel, equipment, and subcontractors to provide efficient services that patrons have come to expect. The MTA requests a waiver under Los Angeles County Code 2.206.020.C.1, which states: "A contract where the Board finds that special circumstances exist that justify a waiver of the requirements of this chapter." This section allows your Board to grant a waiver of the jury duty service requirements for a specific contract due to special circumstances. As a result of this waiver, the MTA will consider the issue in its next bargaining cycle.

Implementation of Strategic Plan Goals

This action meets the County's Strategic Plan Goal of Fiscal Responsibility by sharing the cost of this program with the MTA to provide services to the public in a cost-efficient manner. This program will reduce monthly bus pass costs for eligible seniors, persons with disabilities, students, and the general public to access MTA's transit systems.

FISCAL IMPACT/FINANCING

This program permits the sale of monthly MTA bus passes as follows:

<u>MTA Pass Category</u>	<u>Regular Cost</u>	<u>County Subsidy</u>	<u>Cost to Eligible County Residents</u>
Elderly and Disabled	\$12.00	\$ 6.00	\$ 6.00
Students (Grades K-12)	\$20.00	\$ 8.00	\$12.00
College	\$30.00	\$11.00	\$19.00
General Public	\$52.00	\$14.00	\$38.00
<u>EZ Pass Category</u>			
General Public	\$58.00	\$14.00	\$44.00
Elderly and Disabled	\$29.00	\$14.00	\$15.00

The program also calls for the MTA to review applicants' addresses to certify that they are eligible to participate in this program and to document in which Supervisorial District the applicant resides. Student patron certifications, which must be renewed annually, include a 12-month punch card to ensure that only one pass per month is purchased. The County will pay MTA \$0.65 for each student monthly pass sold to cover the MTA's processing cost. Disabled patron certifications must be renewed from every three months to three years depending upon the disability, and senior and general patron certifications must be renewed every five years. The MTA charges the following for certification processing:

<u>Pass Category</u>	<u>Certification Fee</u>
Students and General Public	\$4.05
Elderly and Disabled	\$2.75

The anticipated cost of continuing the program FY 2004-05 for each Supervisorial District is as follows:

<u>District</u>	<u>Subsidy/Certifications/ County Staff Support</u>	<u>Baldwin Hills Center</u>	<u>MTA Administration</u>	<u>Totals FY 2004-05</u>
1	\$278,000	\$ 0	\$42,000	\$320,000
2	\$ 25,000	\$55,000	\$12,000	\$ 92,000
3	\$ 6,000	\$ 0	\$ 1,000	\$ 7,000
4	\$ 27,000	\$ 0	\$ 4,000	\$ 31,000
5	<u>\$120,000</u>	<u>\$ 0</u>	<u>\$18,000</u>	<u>\$138,000</u>
Total	\$456,000	\$55,000	\$77,000	\$588,000

The anticipated cost of expanding the program for FY 2004-05 for each Supervisorial District is as follows:

<u>District</u>	<u>Subsidy/Certifications/ County Staff Support</u>	<u>Baldwin Hills Center</u>	<u>MTA Administration</u>	<u>Totals FY 2004-05</u>
1	\$535,000	\$ 0	\$80,000	\$615,000
2	\$185,000	\$ 0	\$28,000	\$213,000
3	\$ 0	\$ 0	\$ 0	\$ 0
4	\$ 81,000	\$ 0	\$12,000	\$ 93,000
5	<u>\$245,000</u>	<u>\$ 0</u>	<u>\$37,000</u>	<u>\$282,000</u>
Total	\$1,046,000	\$ 0	\$157,000	\$1,203,000

The total estimated cost of this service is \$1,791,000, which includes a maximum contribution of \$1,701,000 to the MTA and \$90,000 for County staff support.

This program will be financed from each Supervisorial District's allocation of Proposition A Local Return Transit funds available in the Transit Enterprise Fund administered by Public Works.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Amendment, which will be similar to the form of the enclosed Amendment and approved as to form by County Counsel, permits MTA to provide subsidized monthly bus fares for eligible County of Los Angeles unincorporated area residents and administer the program, as described herein, at a maximum cost of \$1,701,000. The County's payment to MTA will be based on the actual cost incurred by MTA.

ENVIRONMENTAL DOCUMENTATION

On June 5, 2001, Synopsis 63, your Board found this service categorically exempt from the reporting requirements of the California Environmental Quality Act pursuant to Section 15273 of said Act.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

This action provides for continuation of the current service and the expansion of the service. Approval of a waiver for jury duty service will allow the MTA to continue selling subsidized bus passes for the transit dependent unincorporated residents.

Without granting the waiver, the County will have to discontinue the Bus Pass Subsidy Program. The discontinuation of bus pass subsidy will negatively impact students, the elderly, persons with disabilities, and the general public who are dependent on this program for their daily transportation.

The Honorable Board of Supervisors
June 3, 2004
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CONCLUSION

Upon approval, please return two approved copies of this letter to us.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

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C041607
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Enc.

cc: Chief Administrative Office
County Counsel

S I X T H A M E N D M E N T T O
A G R E E M E N T N O. 7 1 8 7 7

This SIXTH AMENDMENT to AGREEMENT NO. 71877 is made and entered into by and between the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, hereinafter referred to as "MTA," and the COUNTY OF LOS ANGELES, hereinafter referred to as "COUNTY":

W I T N E S S E T H

WHEREAS, on May 19, 1998, MTA and COUNTY entered into AGREEMENT NO. 71877, which enabled COUNTY to utilize a portion of its Proposition A Local Return Transit funds, allocated to COUNTY by the MTA, to subsidize monthly bus fares for COUNTY unincorporated area residents during Fiscal Year (FY) 1998-99; and

WHEREAS, the parties entered into a FIRST AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 1999-2000; and

WHEREAS, the parties entered into a SECOND AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2000-01; and

WHEREAS, the parties entered into a THIRD AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2001-02; and

WHEREAS, the parties entered into a FOURTH AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2002-03; and

WHEREAS, the parties entered into a FIFTH AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2003-04.

WHEREAS, the parties now desire to enter into a SIXTH AMENDMENT to AGREEMENT NO. 71877 to extend the term thereof to FY 2004-05.

NOW, THEREFORE, in consideration of the mutual covenants contained in said SIXTH AMENDMENT, MTA and COUNTY agree as follows:

A. Amend Section 1.a. on page 1 to read:

1. SERVICES TO BE PROVIDED BY MTA

- a. MTA shall sell subsidized monthly passes to senior citizens, persons with disabilities, elementary school students, junior high school students, senior high school students, college/vocational students and the general public who: (1) meet MTA discount

fare eligibility requirements as defined in MTA Tariff (which is incorporated by reference herein, although not attached hereto), and (2) are residents of unincorporated areas of COUNTY (hereinafter the term "eligible" refers to persons that meet these two criteria) at a price such that the actual cost of a pass to an eligible person is equal to MTA-approved pass fare less COUNTY subsidy shown below.

Supervisory Districts 1, 2, 4, and 5 will subsidize the following passes:

<u>MTA Pass Category</u>	<u>COUNTY Subsidy</u>
Senior	\$ 6.00
Persons with Disabilities	\$ 6.00
Student (K-12)	\$ 8.00
College/Vocational	\$11.00
General Public	\$14.00

<u>EZ Pass Category</u>	<u>COUNTY Subsidy</u>
Senior	\$14.00
Persons with Disabilities	\$14.00
General Public	\$14.00

Supervisory District 3 will subsidize the following passes:

<u>MTA Pass Category</u>	<u>COUNTY Subsidy</u>
Senior	\$ 6.00
Persons with Disabilities	\$ 6.00
Student (K-12)	\$ 8.00
College/Vocational	\$11.00

B. Amend Section 2 on page 3 to add:

2. TERM

The original term of this AGREEMENT was from July 1, 1998, through June 30, 1999; the FIRST AMENDMENT was from July 1, 1999, through June 30, 2000; the SECOND AMENDMENT was from July 1, 2000, through June 30, 2001; the THIRD AMENDMENT was from July 1, 2001, through June 30, 2002; the FOURTH AMENDMENT was from July 1, 2002, through

June 30, 2003; the FIFTH AMENDMENT was from July 1, 2003, through June 30, 2004; and the SIXTH AMENDMENT will extend the term of the AGREEMENT to include the period July 1, 2004, through June 30, 2005.

C. Amend Section 3.d on page 4 to read:

COUNTY'S maximum obligation for FY 1998-1999, FY 1999-2000, FY 2000-2001, FY 2001-2002, FY 2002-2003 and FY 2003-2004 was Five Hundred Four Thousand and 00/100 Dollars (\$504,000.00) per year. This SIXTH AMENDMENT keeps COUNTY'S maximum obligation for FY 2004-2005 at One Million Seven Hundred One Thousand and 00/100 Dollars (\$1,701,000.00).

D. Amend Section 5.a. on page 8 to read:

5. ADMINISTRATON OF SALES

- a. A total of eight (8) unique monthly pass stamps will be designed and produced, one for each of the following fare categories:

b. Monthly MTA Bus Pass Stamps

- Senior
- Elementary School Student, Junior High School Student, and Senior High School Student
- College/Vocational Student
- Persons with disabilities
- General Public

Monthly EZ Bus Pass Stamps

- Senior
- Persons with disabilities
- General Public

1. Samples of the MTA stamp, pass, and identification formats will be mailed to DIRECTOR for his information when available.
2. The monthly stamps and passes will be priced and consecutively numbered for control purposes. Adequate documentation of the passes and stamps printed shall be maintained by MTA so that, if

COUNTY elects to inspect or audit MTA'S records, the disposition of each pass and stamp may be determined.

E. Amend Section 8 Item 3 on page 12 to read:

8. ESTIMATED ANNUAL OPERATIONS AND ADMINISTRATION
COST SCHEDULE

Item 3. Other Costs

COUNTY will finance one hundred percent (100%) of the following MTA costs:

General and Administrative Cost (11.27 percent of Total Cost)	\$ 9,617
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Sales tax on passes and stamps (8.25 percent)	\$ <u>1,090</u>
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Cost to COUNTY	\$ 10,707
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Total Cost to COUNTY (Items 1, 2, and 3)	\$100,000
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All costs associated with the design and production of the monthly MTA bus passes and stamps shall be the responsibility of MTA and in no way shall any of such design or production costs be passed through to COUNTY.

F. Amend Section 9 on page 12 to read:

9. TERMINATION

Either party may terminate this SIXTH AMENDMENT, or that portion pertaining to a given Supervisorial District, by giving thirty (30) calendar days prior written notice thereof to the other party. Upon deletion of a Supervisorial District or termination of this SIXTH AMENDMENT prior to June 30, 2005, MTA shall calculate and report the actual Administration costs, as specified in Section 3.a and Section 8, above, and credit to COUNTY the unused portion of the Administration costs previously paid by COUNTY.

G. Except as herein amended, AGREEMENT NO. 71877, the FIRST AMENDMENT NO. 71877-S1, the SECOND AMENDMENT NO. 71877-S2, the THIRD AMENDMENT NO. 71877-S3, the FOURTH AMENDMENT NO. 71877-S4, and the FIFTH AMENDMENT NO. 71877-S5 shall remain in full force and effect.

IN WITNESS WHEREOF, the Director of Public Works, pursuant to authority delegated by the Board of Supervisors of the COUNTY of Los Angeles on xxxxx, Synopsis 77, and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY have caused this SIXTH AMENDMENT to AGREEMENT NO. 71877 to be executed by and through their respective officers, duly authorized, on _____, 2004.

COUNTY OF LOS ANGELES

By _____
Director of Public Works

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Deputy

LOS ANGELES COUNTY METROPOLITAN
TRANSPORTATION AUTHORITY

By _____
Chief Executive Officer